

House File 636 - Introduced

HOUSE FILE 636

BY SHIPLEY

A BILL FOR

1 An Act creating the psilocybin services Act, and providing
2 penalties.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 124.204, subsection 4, paragraph s, Code
2 2021, is amended to read as follows:

3 s. Psilocybin, except as otherwise provided in subsection
4 8A.

5 Sec. 2. Section 124.204, Code 2021, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 8A. *Psilocybin*. Nothing in this chapter
8 shall apply to psilocybin when manufactured, planted,
9 cultivated, grown, harvested, produced, prepared, propagated,
10 compounded, converted, processed, handled, transported,
11 delivered, marketed, distributed, possessed, administered,
12 consumed, tested, or otherwise used in accordance and
13 compliance with chapter 124F.

14 Sec. 3. Section 124.401, Code 2021, is amended by adding the
15 following new subsection:

16 NEW SUBSECTION. 7. Notwithstanding any other provision
17 in this section to the contrary, a person may manufacture,
18 plant, cultivate, grow, harvest, produce, prepare, propagate,
19 compound, convert, process, handle, transport, deliver, market,
20 distribute, possess, administer, consume, test, or otherwise
21 use psilocybin in accordance and compliance with chapter 124F.

22 Sec. 4. NEW SECTION. 124F.1 Short title.

23 This Act shall be known and may be cited as the "*Psilocybin*
24 *Services Act*".

25 Sec. 5. NEW SECTION. 124F.2 Definitions.

26 As used in this chapter, unless the context otherwise
27 requires:

28 1. "*Administration session*" means a session held at
29 a psilocybin service center at which a client purchases,
30 consumes, and experiences the effects of a psilocybin product
31 under the supervision of a psilocybin service facilitator.

32 2. "*Client*" means a person who is provided psilocybin
33 services under this chapter.

34 3. "*Department*" means the department of public health.

35 4. "*Entheogenic plants and fungi*" means any plant or

1 fungus of any species in which ibogaine, dimethyltryptamine,
2 mescaline, peyote, psilocybin, or psilocin occurs naturally in
3 any form that would cause such plant or fungus to be named or
4 described as a controlled substance under chapter 124.

5 5. "*Integration session*" means a meeting between a client
6 and a psilocybin service facilitator that may occur after the
7 client completes an administration session.

8 6. "*Legal entity*" means a corporation, limited liability
9 company, limited partnership, or other entity that is
10 registered with the office of the secretary of state.

11 7. "*Licensee*" means a person who holds a license issued
12 under this chapter.

13 8. "*Licensee representative*" means an owner, director,
14 officer, manager, employee, agent, or other representative of
15 a licensee, to the extent that such person is serving in a
16 representative capacity.

17 9. "*Manufacture*" or "*manufacturing*" means the manufacture,
18 planting, cultivation, growing, harvesting, production,
19 preparation, propagation, compounding, conversion, or
20 processing of a psilocybin product, either directly or
21 indirectly by extraction from substances of natural origin,
22 or independently by means of chemical synthesis, or by a
23 combination of extraction and chemical synthesis. The term
24 includes any packaging or repackaging of the psilocybin product
25 or labeling or relabeling of the psilocybin product package.

26 10. "*One-year program development period*" means the period
27 beginning on January 1, 2022, and ending no later than December
28 31, 2022.

29 11. "*Premises*" includes all of the following areas of a
30 location licensed under this chapter:

31 a. All public and private enclosed areas that are used
32 in the business operated at the location, including offices,
33 kitchens, restrooms, and storerooms.

34 b. All areas outside a building that the department has
35 specifically licensed for the manufacturing of psilocybin

1 products or the operation of a psilocybin service center.

2 *c.* For a location that the department has specifically
3 licensed for the operation of a psilocybin service center
4 outside a building, that portion of the location used to
5 operate the center and provide psilocybin services to clients.

6 *d.* The term does not include a primary residence.

7 12. "*Preparation session*" means a meeting between a client
8 and a psilocybin service facilitator that must occur before the
9 client participates in an administration session.

10 13. "*Psilocybin*" means a hallucinogenic compound obtained
11 from *P. cubensis* mushrooms.

12 14. "*Psilocybin product manufacturing facility*" means a
13 facility that manufactures psilocybin products in this state.

14 15. "*Psilocybin products*" means psilocybin-producing fungi
15 and mixtures or substances containing a detectable amount of
16 psilocybin. The term does not include psilocybin services.

17 16. "*Psilocybin service center*" means a center where
18 administration sessions are held and other psilocybin services
19 may be provided.

20 17. "*Psilocybin service facilitator*" means a person who
21 facilitates the provision of psilocybin services to a client.

22 18. "*Psilocybin services*" means services provided to a
23 client before, during, or after the client's consumption of
24 a psilocybin product, including a preparation session, an
25 administration session, and an integration session.

26 19. "*Psilocybin testing laboratory*" means a laboratory that
27 conducts tests on psilocybin products in accordance with this
28 chapter.

29 Sec. 6. NEW SECTION. 124F.3 **Purposes.**

30 The purposes of this chapter include all of the following:

31 1. To educate the public about the safe and effective use of
32 psilocybin in treating mental health conditions.

33 2. To reduce the prevalence of mental illness among adults
34 in the state and improve the physical, mental, and social
35 well-being of all people in the state.

1 3. To develop a long-term strategic plan for ensuring that
2 psilocybin services will become and remain a safe, accessible,
3 and affordable therapeutic option for all persons twenty-one
4 years of age or older for whom psilocybin may be appropriate.

5 4. To protect the public health, safety, and welfare by
6 prioritizing the state's limited law enforcement resources in
7 the most effective, consistent, and rational way.

8 5. To allow persons licensed under this chapter to legally
9 manufacture psilocybin products and provide psilocybin services
10 to persons twenty-one years of age or older in accordance with
11 this chapter.

12 6. To establish a comprehensive regulatory framework
13 regarding psilocybin products and psilocybin services.

14 7. To prevent the distribution of psilocybin products to
15 persons who are not allowed to possess psilocybin products
16 under this chapter, including persons who are younger than
17 twenty-one years of age.

18 8. To prevent the diversion of psilocybin products from this
19 state to other states.

20 Sec. 7. NEW SECTION. 124F.4 Department authority and
21 duties.

22 1. The department shall do all of the following during the
23 one-year program development period:

24 a. Examine, publish, and distribute to the public available
25 medical, psychological, and scientific studies, research,
26 and other information relating to the safety and efficacy of
27 psilocybin in treating mental health conditions.

28 b. Adopt rules pursuant to chapter 17A for the
29 implementation of a comprehensive regulatory framework
30 authorizing persons twenty-one years of age or older to be
31 provided psilocybin services in this state.

32 c. Establish an advisory board for the purpose of advising
33 and making recommendations to the department regarding the use
34 of psilocybin for mental health treatment.

35 2. Unless otherwise provided by law, the department shall

1 not issue any licenses or permits during the one-year program
2 development period.

3 3. Beginning November 30, 2022, and periodically
4 thereafter, the department shall publish on its internet
5 website information received from the psilocybin advisory board
6 and available medical, psychological, and scientific studies,
7 research, and any other information relating to the safety and
8 efficacy of psilocybin in treating mental health conditions,
9 including but not limited to addiction, depression, anxiety
10 disorders, and end-of-life psychological distress.

11 4. After the one-year program development period, beginning
12 no later than January 1, 2023, the duties of the department
13 shall include all of the following:

14 a. Regulating the possession, manufacturing,
15 transportation, delivery, sale, and purchase of psilocybin
16 products and the provision of psilocybin services in this state
17 in accordance with this chapter.

18 b. Issuing, renewing, suspending, revoking, or refusing
19 to issue or renew licenses for the manufacturing or sale of
20 psilocybin products or the provision of psilocybin services
21 or other licenses related to the consumption of psilocybin
22 products, and allowing the transfer of a license between
23 persons.

24 c. Issuing, renewing, suspending, revoking, or refusing to
25 issue or renew permits for licensee representatives.

26 d. Regulating the use of psilocybin products and psilocybin
27 services for other purposes as deemed necessary or appropriate
28 by the department.

29 e. Adopting, amending, or repealing rules pursuant to
30 chapter 17A as necessary to administer this chapter including
31 rules that the department considers necessary to protect the
32 public health, safety, and welfare.

33 f. Exercising the department's authority to administer
34 this chapter or any other law that authorizes the department
35 to regulate psilocybin products and psilocybin services, which

1 includes all of the following:

- 2 (1) Issuing subpoenas.
- 3 (2) Compelling the attendance of witnesses.
- 4 (3) Administering oaths.
- 5 (4) Certifying official acts.
- 6 (5) Taking depositions.
- 7 (6) Compelling the production of books, payrolls, accounts,
8 papers, records, documents, and testimony.
- 9 (7) Adopting rules regulating the advertisement of
10 psilocybin products to the public.
- 11 (8) Adopting rules prohibiting the advertisement of
12 psilocybin services in a manner that does any of the following:
 - 13 (a) Is appealing to minors.
 - 14 (b) Promotes excessive use.
 - 15 (c) Promotes illegal activity.
 - 16 (d) Violates the code of professional conduct for
17 psilocybin service facilitators.
 - 18 (e) Otherwise poses a significant risk to the public health,
19 safety, and welfare.

20 g. Purchasing, possessing, seizing, transferring to a
21 licensee, or disposing of psilocybin products as necessary for
22 the department to ensure compliance with and to enforce this
23 chapter.

24 5. The department shall not do any of the following:

- 25 a. Require that a psilocybin product be manufactured by
26 means of chemical synthesis.
- 27 b. Require a client to be diagnosed with or have any
28 particular medical condition before being provided psilocybin
29 services.

30 Sec. 8. NEW SECTION. 124F.5 Psilocybin advisory board —
31 membership, duties.

32 1. The psilocybin advisory board is created within
33 the department for the purpose of advising and making
34 recommendations to the department regarding the use of
35 psilocybin for mental health treatment.

1 2. a. The board shall include the following ex-officio,
2 nonvoting members:

3 (1) The state medical director, or the medical director's
4 designee.

5 (2) The secretary of agriculture, or the secretary's
6 designee.

7 (3) The attorney general or the attorney general's
8 designee.

9 (4) The director of public safety, or the director's
10 designee.

11 (5) The director of the department of human services, or the
12 director's designee.

13 b. The board shall include all of the following voting
14 members appointed by the governor, subject to sections 69.16,
15 69.16A, and 69.16C, and subject to confirmation by the senate:

16 (1) A state employee employed by the department of public
17 health to administer the medical cannabidiol program pursuant
18 to chapter 124E.

19 (2) A licensed attorney with experience with laws and
20 regulations relating to controlled substances.

21 (3) A state employee who has technical and policy expertise
22 in the field of public health.

23 (4) A person who is a member of, or who represents, a
24 federally recognized Indian tribe in this state.

25 (5) A person who represents providers who deliver health
26 care services directly to the public.

27 (6) A psychologist licensed under chapter 154B who has
28 professional experience diagnosing or treating mental,
29 emotional, or behavioral health conditions.

30 (7) A physician licensed under chapter 148.

31 (8) A person who practices naturopathy.

32 (9) A person who is an expert in the field of public health
33 and is employed by a postsecondary institution in the state.

34 (10) A person who has professional experience conducting
35 scientific research regarding the use of psychedelic compounds

1 in clinical therapy.

2 (11) A person who has experience in the field of mycology.

3 (12) A person who has experience in the field of
4 ethnobotany.

5 (13) A person who has experience in the field of
6 psychopharmacology.

7 (14) A person who has experience in the field of psilocybin
8 harm reduction.

9 (15) Two members selected at large.

10 3. Voting members shall serve for four-year terms beginning
11 and ending as provided in section 69.19. Vacancies shall be
12 filled by the governor for the duration of the unexpired terms.
13 A majority of the voting members of the board shall constitute
14 a quorum. The affirmative vote of a majority of the quorum is
15 necessary for any action taken by the board. The board shall
16 elect one of the members to serve as chairperson.

17 4. During the one-year program development period, the
18 board shall meet at least bimonthly at a time and place
19 determined by the chairperson or a majority of the voting
20 members of the board. After the one-year program development
21 period, the board shall meet at least quarterly at a time and
22 place determined by the chairperson or a majority of the voting
23 members of the board. The board may also meet at other times
24 and places at the call of the chairperson or a majority of the
25 voting members of the board.

26 5. The advisory board shall do all of the following:

27 a. Advise the department regarding the administration of
28 this chapter.

29 b. Make recommendations to the department on available
30 medical, psychological, and scientific studies, research,
31 and other information relating to the safety and efficacy of
32 psilocybin in treating mental health conditions, including but
33 not limited to addiction, depression, anxiety disorders, and
34 end-of-life psychological distress.

35 c. Make recommendations to the department regarding the

1 requirements, specifications, and guidelines for providing
2 psilocybin services to a client, including all of the
3 following:

4 (1) The requirements, specifications, and guidelines for
5 holding and verifying the completion of a preparation session,
6 an administration session, and an integration session.

7 (2) The contents of the client information form that a
8 client must complete and sign before the client participates in
9 a preparation session, including all of the following:

10 (a) Information that must be solicited from the client
11 to determine whether it is appropriate for the client to
12 participate in the preparation session, which may identify risk
13 factors and contraindications.

14 (b) Information that must be solicited from the client to
15 assist the psilocybin service center and the psilocybin service
16 facilitator in meeting any public health and safety standards
17 and industry best practices during the administration session.

18 (c) Health and safety warnings and other disclosures that
19 must be made to the client before the client participates in
20 the administration session.

21 (3) Make recommendations to the department on public health
22 and safety standards and industry best practices for each type
23 of licensee and licensee representative under this chapter.

24 (4) Make recommendations to the department on the
25 formulation of a code of professional conduct for psilocybin
26 service facilitators, including a code of ethics.

27 (5) Make recommendations to the department on the education
28 and training that psilocybin service facilitators must
29 complete, including all of the following:

30 (a) Facilitation skills that are affirming, nonjudgmental,
31 and nondirective.

32 (b) Skills to support clients during an administration
33 session, including specialized skills for client safety and
34 clients who may have a mental health condition.

35 (c) The optimal environment in which psilocybin services

1 must occur.

2 (d) Social and cultural considerations.

3 (e) Whether such education and training should be made
4 available through online resources.

5 (6) Make recommendations to the department on the
6 examinations that psilocybin service facilitators and licensee
7 representatives must pass to obtain and maintain a license or
8 permit.

9 (7) Make recommendations to the department on public health
10 and safety standards and industry best practices for holding
11 and completing an administration session, including whether
12 group administration sessions will be made available and
13 whether clients will be able to access common or outside areas
14 on the premises of the psilocybin service center at which the
15 administration session is held.

16 (8) Make recommendations to the department as to whether
17 and how psilocybin service centers and psilocybin service
18 facilitators may safely and effectively provide administration
19 sessions using telehealth.

20 (9) Make recommendations to the department regarding
21 the circumstances under which an administration session is
22 considered complete.

23 (10) Make recommendations to the department regarding the
24 transportation needs of the client after the completion of an
25 administration session.

26 (11) Develop a long-term strategic plan for ensuring that
27 psilocybin services are and will remain a safe, accessible, and
28 affordable therapeutic option for all persons twenty-one years
29 of age or older for whom psilocybin may be appropriate.

30 (12) Make recommendations to the department about
31 technologies that can be used and implemented by the department
32 to track product information, client data, and outcomes of
33 clients during and after receiving psilocybin services.

34 (13) Monitor and study federal laws, regulations, and
35 policies relating to psilocybin.

1 6. The advisory board shall submit its initial findings
2 and recommendations to the governor and the general assembly
3 by August 31, 2022, and shall periodically thereafter submit
4 findings and recommendations to the governor and the general
5 assembly regarding improvements in the program.

6 Sec. 9. NEW SECTION. **124F.6 Applications for licensure.**

7 1. By February 1, 2023, the department shall begin receiving
8 applications for the licensing of all of the following:

- 9 a. Psilocybin product manufacturing facilities.
10 b. Psilocybin service centers.
11 c. Psilocybin service facilitators.
12 d. Psilocybin testing laboratories.

13 2. An applicant for a license or renewal of a license shall
14 apply to the department in a form prescribed by department
15 by rule. The application shall include the name and address
16 of the applicant, the location of the premises that will be
17 operated under the license, and any other pertinent information
18 required by the department.

19 3. The department shall not issue or renew a license until
20 the applicant has complied with this section.

21 4. The department shall approve or deny an application for
22 licensure under this section in a timely manner.

23 5. The department shall not issue a license for premises
24 that do not have defined boundaries. The premises are not
25 required to be enclosed by a wall, fence, or other structure.
26 However, the department may require the premises to be enclosed
27 as a condition of issuing or renewing a license.

28 6. The department shall not issue a license to a mobile
29 premises.

30 7. A license issued under this section serves the purpose
31 of exempting the licensee from the criminal laws of this state
32 for the possession, transportation, delivery, manufacturing,
33 or sale of psilocybin products to the extent that the person
34 complies with all state laws and rules applicable to a
35 licensee.

1 8. The department may reject any application that is not
2 submitted in the form prescribed by the department.

3 9. An applicant may appeal any action taken by the
4 department pursuant to this section in a proceeding under
5 chapter 17A.

6 10. A license issued under this section:

7 *a.* Is a personal privilege.

8 *b.* Is renewable except for a cause that would be grounds for
9 refusal to issue the license.

10 *c.* Is revocable or may be subject to suspension.

11 *d.* Except for a license issued to a psilocybin service
12 facilitator, is transferable from the premises for which the
13 license was originally issued to another premises.

14 *e.* If the license was issued to a person, expires upon the
15 death of the licensee, except as otherwise provided in this
16 section.

17 *f.* Does not constitute property.

18 *g.* Is not alienable.

19 *h.* Is not subject to attachment or execution.

20 *i.* Does not descend by the laws of testate or intestate
21 succession.

22 11. The department may require an applicant for a license
23 or a licensee to submit to the department, in a form and manner
24 prescribed by the department, a sworn statement showing both
25 of the following:

26 *a.* The name and address of each person who has a financial
27 interest in the business operating or to be operated under the
28 license.

29 *b.* The nature and extent of the financial interest of each
30 person who has a financial interest in the business operating
31 or to be operated under the license.

32 12. The department may refuse to issue, or may suspend,
33 revoke, or refuse to renew, a license issued under this chapter
34 if the department determines that a person who has a financial
35 interest in the business operating or to be operated under

1 the license committed or failed to commit an act that would
2 constitute grounds for the department to refuse to issue, or to
3 suspend, revoke, or refuse to renew, the license if the person
4 were the licensee or applicant for the license.

5 13. A person including a legal entity that directly or
6 indirectly owns, controls, or holds with power to vote five
7 percent or more of the voting shares of a psilocybin product
8 manufacturing facility or psilocybin service center shall not
9 acquire direct or indirect ownership or control of any voting
10 shares or other form of ownership of any other psilocybin
11 product manufacturing facility or psilocybin service center.

12 14. Before receiving a license for a psilocybin product
13 manufacturing facility or psilocybin service center, an
14 applicant shall request a land use compatibility statement
15 from the city or county in which the applicant will operate.
16 The land use compatibility statement must demonstrate that
17 the requested license is for a land use that is allowable as
18 a permitted or conditional use within the applicable zoning
19 designation where the land is located. The department shall
20 not issue a license if the land use compatibility statement
21 shows that the proposed land use is prohibited in the
22 applicable zone.

23 15. Except as otherwise provided by law, a city or county
24 that receives a request for a land use compatibility statement
25 shall act on such request within twenty-one days after receipt
26 of the request, if the land use is allowable as an outright
27 permitted use, or twenty-one days after final local permit
28 approval, if the land use is allowable as a conditional use.

29 16. A city or county that receives a request for a land use
30 compatibility statement is not required to act on that request
31 during the period that the department suspends licensing for
32 the premises.

33 17. The department may require the fingerprints of any
34 person listed on an application. However, the department shall
35 require the fingerprints of all of the following:

1 *a.* Each general partner of the limited partnership, if the
2 applicant is a limited partnership.

3 *b.* Each manager of the limited liability company, if the
4 applicant is a manager-managed limited liability company.

5 *c.* Each voting member of the limited liability company, if
6 the applicant is a member-managed limited liability company.

7 *d.* Each director and officer of the corporation, if the
8 applicant is a corporation.

9 *e.* Any person who holds a financial interest, whether direct
10 or indirect, in a psilocybin product manufacturing facility or
11 psilocybin service center.

12 *f.* Any licensee representative.

13 18. An applicant shall be subject to a background screening
14 under this section. Any arrest record identified shall be
15 reported to the department.

16 Sec. 10. NEW SECTION. 124F.7 Psilocybin product
17 manufacturing license.

18 1. The manufacture of psilocybin products is subject to
19 regulation by the department. Any psilocybin products used
20 by a psilocybin service center shall be manufactured by a
21 psilocybin product manufacturing facility licensed under this
22 chapter. A psilocybin product manufacturing facility shall
23 have a psilocybin product manufacturing facility license issued
24 by the department for the premises at which the psilocybin
25 products will be manufactured.

26 2. To hold a psilocybin product manufacturing facility
27 license, a psilocybin product manufacturing facility shall do
28 all of the following:

29 *a.* Apply for a license in the manner described in this
30 chapter.

31 *b.* Provide proof that the applicant is owned and controlled
32 by a person or persons who are twenty-one years of age or
33 older.

34 *c.* Provide proof that the applicant's psilocybin product
35 manufacturing facility is located in an area zoned for

1 industrial or agricultural use.

2 (1) For purposes of this paragraph, the department shall
3 adopt rules pursuant to chapter 17A that designate different
4 types of psilocybin product manufacturing activities and
5 provide for endorsement by the department for such activities.
6 A psilocybin product manufacturing facility shall only engage
7 in a type of psilocybin product manufacturing activity if the
8 psilocybin product manufacturing facility has received an
9 endorsement from the department for that type of psilocybin
10 product manufacturing activity.

11 (2) An applicant shall request an endorsement upon
12 submission of an initial application but the applicant or
13 licensee may request a subsequent endorsement at any time after
14 licensure.

15 (3) Only one application is required regardless of how many
16 endorsements an applicant or licensee requests or at what point
17 in the licensing process the request is made.

18 (4) A psilocybin product manufacturing facility licensee
19 may hold multiple endorsements.

20 (5) The department may deny a psilocybin product
21 manufacturing facility's request for an endorsement or revoke
22 an existing endorsement if the psilocybin product manufacturing
23 facility cannot or does not meet the requirements for the
24 endorsement.

25 Sec. 11. NEW SECTION. 124F.8 Psilocybin service center
26 license.

27 1. The operation of a psilocybin service center is subject
28 to regulation by the department. A psilocybin service center
29 is not a health care facility subject to chapter 135C.

30 2. A psilocybin service center shall receive a psilocybin
31 service center license issued by the department for the
32 premises at which psilocybin services will be provided. To
33 hold such a license under this section, a psilocybin service
34 center shall do all of the following:

35 a. Apply for a license in the manner described in this

1 chapter.

2 *b.* Provide proof that the applicant is owned and controlled
3 by a person or persons who are twenty-one years of age or
4 older.

5 *c.* Provide proof that the psilocybin service center is not
6 located in any of the following areas:

7 (1) An area zoned exclusively for residential use.

8 (2) An area located within five hundred feet of the real
9 property that comprises a public or private elementary school,
10 middle school, or high school. If a school that has not
11 previously been attended by children is established within
12 five hundred feet of a premises for which a license has been
13 issued, the psilocybin service center located at that premises
14 may remain at that location, unless the department revokes the
15 license of the psilocybin service center for cause.

16 3. The department shall adopt rules pursuant to chapter 17A
17 that require all of the following:

18 *a.* A psilocybin service center to annually renew a license
19 issued under this chapter.

20 *b.* Any psilocybin products sold or used by a psilocybin
21 service center to be tested in accordance with this chapter.

22 *c.* A psilocybin service center to meet any public health
23 and safety standards and industry best practices established
24 by department rule.

25 Sec. 12. NEW SECTION. 124F.9 Psilocybin service facilitator
26 license.

27 1. A psilocybin service facilitator is subject to
28 regulation by the department.

29 2. A psilocybin service facilitator shall maintain a
30 facilitator license issued by the department.

31 3. To hold a facilitator license issued under this chapter,
32 a psilocybin service facilitator must do all of the following:

33 *a.* Apply for a license in the manner described in this
34 chapter.

35 *b.* Provide proof that the applicant is twenty-one years of

1 age or older.

2 *c.* Submit evidence of completion of the required education
3 and training as approved by the department.

4 *d.* Submit evidence of passing an examination approved,
5 administered, or recognized by the department.

6 *e.* Annually renew a license issued under this chapter.

7 *f.* Meet any public health and safety standards and industry
8 best practices established by department rule.

9 4. A psilocybin service facilitator shall only be an
10 employee, manager, director, officer, partner, member,
11 shareholder, or direct or indirect owner of one psilocybin
12 service center.

13 5. A license issued to a psilocybin service facilitator
14 under this chapter is not limited to any single premises.

15 6. The department shall do all of the following:

16 *a.* Establish the qualifications, training, and education
17 requirements for applicants for a psilocybin service
18 facilitator license with an emphasis on all of the following:

19 (1) Facilitation skills that are affirming, nonjudgmental,
20 and nondirective.

21 (2) Support skills for clients during an administration
22 session, including specialized skills for client safety and for
23 clients who may have a mental health condition.

24 (3) The environment in which psilocybin services should
25 occur.

26 (4) Social and cultural considerations.

27 *b.* Formulate a code of professional conduct for psilocybin
28 service facilitators, including a code of ethics.

29 *c.* Establish standards of practice and professional
30 responsibility for persons licensed by the department to
31 facilitate psilocybin services.

32 *d.* Develop or select examinations for licensure as a
33 psilocybin service facilitator.

34 *e.* Provide for waivers of examinations as appropriate.

35 *f.* Appoint representatives to conduct or supervise

1 examinations of applicants.

2 *g.* Require background screenings of all applicants for a
3 psilocybin service facilitator license.

4 *h.* Approve courses that psilocybin service facilitators
5 must complete. To obtain approval of a course, the provider
6 of a course must submit a curriculum outline to the department
7 and the department of education for review. The outline
8 must include the approved courses, total number of hours of
9 instruction, total number of hours of lectures in theory, and
10 total number of hours of instruction in the application of
11 practical skills.

12 *i.* Offer an examination for psilocybin service facilitator
13 applicants at least twice annually. An applicant who fails any
14 section of the examination may retake the failed section of the
15 examination in accordance with rules adopted by the department.

16 Sec. 13. NEW SECTION. **124F.10 Psilocybin testing laboratory**
17 **license.**

18 1. A laboratory that conducts testing of psilocybin
19 products as required by this section shall maintain a license
20 to operate at the premises at which the psilocybin products are
21 tested.

22 2. The department shall adopt rules pursuant to chapter 17A
23 to establish all of the following:

24 *a.* Qualifications for a psilocybin testing laboratory
25 license, including accreditation of the applicant for licensure
26 by the department.

27 *b.* Processes for applying for and renewing a license.

28 *c.* A procedure for an initial license and biennial renewal
29 of such license. The department shall renew the license
30 biennially if the psilocybin testing laboratory meets the
31 requirements in this chapter.

32 3. The department may inspect premises licensed under this
33 section to ensure compliance.

34 4. The department may refuse to issue or renew, or may
35 suspend or revoke, a psilocybin testing laboratory license for

1 a violation of this chapter.

2 Sec. 14. NEW SECTION. 124F.11 Licensee representative
3 permit.

4 1. A licensee representative shall maintain a valid permit
5 issued by the department under this chapter if the licensee
6 representative participates in any of the following:

7 a. Provision of psilocybin services at the premises.

8 b. Possession, manufacturing, transportation, delivery, or
9 selling of psilocybin products at the premises.

10 c. Recording of the possession, manufacturing,
11 transportation, delivery, or selling of psilocybin products at
12 the premises.

13 2. By February 1, 2023, the department shall begin receiving
14 applications and issuing licensee representative permits
15 to qualified applicants. The department shall adopt rules
16 pursuant to chapter 17A establishing all of the following:

17 a. Qualifications for performing activities as described in
18 this section.

19 b. The duration of a permit issued under this section.

20 c. Procedures for applying for and renewing a permit.

21 d. The successful completion of a course, made available by
22 or through the department, which provides training on all of
23 the following:

24 (1) Confirming client identification.

25 (2) Detecting client intoxication.

26 (3) Handling psilocybin products.

27 (4) If applicable, the manufacturing of psilocybin
28 products.

29 (5) If applicable, the testing of psilocybin products.

30 (6) The requirements of this chapter.

31 (7) Any matter deemed necessary by the department to protect
32 the public health, safety, and welfare.

33 3. A licensee shall verify that a person has a valid permit
34 as a licensee representative issued by the department before
35 allowing the person to perform any activity specified in

1 subsection 1 at the premises.

2 4. The department shall not require a person applying for
3 a licensee representative permit to successfully complete
4 a course more than once unless subsequent completion is a
5 condition of rescinding a suspension of a permit issued under
6 this chapter or to issue a new permit following revocation of a
7 permit.

8 Sec. 15. NEW SECTION. 124F.12 Refusal to issue a license
9 or permit — grounds for revocation, suspension, or restriction
10 of a license or permit.

11 1. The department may refuse to issue a license or, if
12 applicable, a permit to an applicant if the department finds
13 that any of the following applies to the applicant:

14 a. The applicant is younger than twenty-one years of age.

15 b. The applicant has not completed any of the education or
16 training requirements required for issuance of the license or
17 permit.

18 c. The applicant has not passed an examination required for
19 issuance of the license or permit.

20 d. The applicant has made false or fraudulent statements or
21 representations in the application.

22 e. The applicant is incompetent or physically unable to
23 manage the premises proposed to be licensed.

24 f. The applicant has been convicted of violating a federal
25 law, state law, or local ordinance if the conviction is
26 substantially related to the qualifications and ability of the
27 applicant to lawfully carry out activities under the license
28 or permit.

29 g. The applicant does not have a good record of compliance
30 with the requirements of this chapter.

31 h. The applicant is not the legitimate owner of the premises
32 proposed to be licensed or has not disclosed that other
33 persons have ownership interests in the premises proposed to
34 be licensed.

35 i. The applicant has not demonstrated financial

1 responsibility sufficient to adequately meet the requirements
2 of the premises proposed to be licensed.

3 *j.* The applicant is unable to understand the laws of this
4 state relating to psilocybin products, psilocybin services, or
5 the rules adopted by the department relating to such products
6 and services.

7 2. The department may revoke, suspend, or restrict a
8 license or, if applicable, a permit issued under this chapter
9 or require a licensee or licensee representative to undergo
10 training if the department finds or has reasonable grounds to
11 believe that the licensee or licensee representative:

12 *a.* Has violated the requirements of this chapter including
13 any code of professional conduct or code of ethics.

14 *b.* Has made any false or fraudulent statement or
15 representation to the department in order to induce or prevent
16 action by the department.

17 *c.* Is insolvent or incompetent or physically unable to
18 manage the premises of the licensee.

19 *d.* Has misrepresented to a person or the public any
20 psilocybin products sold by the licensee or licensee
21 representative.

22 *e.* Since the issuance of the license or, if applicable, the
23 permit, has been convicted of a felony, of violating any law of
24 this state relating to psilocybin products, or of any violation
25 of any municipal ordinance committed on the premises.

26 *f.* Any other reason that, at the discretion of the
27 department, warrants revoking, suspending, or restricting the
28 license or, if applicable, the permit to protect the public
29 health, safety, and welfare.

30 Sec. 16. NEW SECTION. 124F.13 **Operation of a psilocybin**
31 **product manufacturing facility.**

32 1. A licensed psilocybin product manufacturing facility
33 shall not manufacture psilocybin products outdoors.

34 2. The department shall adopt rules pursuant to chapter 17A
35 restricting the quantities of psilocybin products manufactured

1 at a premises. In determining the restrictions, the department
2 shall take into consideration the demand for psilocybin
3 services in the state, the number of psilocybin product
4 manufacturing facilities applying for licenses, the number of
5 licensed psilocybin product manufacturing facilities in the
6 state, and whether the availability of psilocybin products
7 in the state is commensurate with the demand for psilocybin
8 services.

9 3. A psilocybin product shall not be sold or offered for
10 sale within this state unless the psilocybin product complies
11 with the minimum standards adopted by the department by rule.
12 The department may prohibit the sale of a psilocybin product
13 by a psilocybin product manufacturing facility or psilocybin
14 service center for a reasonable period of time for the purpose
15 of determining whether the psilocybin product complies with the
16 minimum standards.

17 4. As necessary to protect the public health, safety, and
18 welfare, the department shall require a licensed psilocybin
19 product manufacturing facility to test psilocybin products
20 before selling or transferring the psilocybin products.

21 5. The department may conduct random testing of psilocybin
22 products for the purpose of determining whether a licensed
23 psilocybin product manufacturing facility is in compliance with
24 this chapter.

25 6. The department shall not require a psilocybin product
26 to undergo the same test more than once, unless the psilocybin
27 product is processed into a different type of psilocybin
28 product or fundamentally altered.

29 7. The testing of psilocybin products shall be conducted by
30 a licensed psilocybin testing laboratory.

31 8. In requiring testing, the department shall consider the
32 cost of a potential testing procedure and how that cost will
33 affect the overall cost of psilocybin products to the client.

34 9. The department shall not adopt rules under this section
35 that are more restrictive than are reasonably necessary to

1 protect the public health, safety, and welfare.

2 Sec. 17. NEW SECTION. 124F.14 Labeling and packaging of
3 psilocybin products.

4 1. a. The department may adopt rules pursuant to chapter
5 17A to require a licensee to submit a label intended for use
6 on a psilocybin product for preapproval by the department
7 before the licensee may sell or transfer a psilocybin product
8 bearing the label. The rules shall also establish standards
9 for the labeling of psilocybin products, including all of the
10 following:

11 (1) Ensuring that psilocybin products have labeling that
12 communicates all of the following to the consumer:

13 (a) Health and safety warnings.

14 (b) If applicable, the activation time of the psilocybin
15 product.

16 (c) The potency of the psilocybin product.

17 (d) If applicable, the dosage of the psilocybin product and
18 the number of doses included in the psilocybin product package.

19 (e) The content of the psilocybin product.

20 (2) Labeling that is in accordance with applicable state
21 food labeling requirements for the same type of food product
22 or potable liquid when the food product or potable liquid does
23 not contain psilocybin.

24 (3) Requiring that all psilocybin products sold or
25 transferred by a licensed psilocybin product manufacturing
26 facility are labeled in accordance with this section.

27 (4) Establishing different labeling standards for different
28 varieties and types of psilocybin products.

29 b. In establishing labeling requirements, the department
30 shall consider the cost of a potential labeling requirement
31 and how that cost will affect the overall cost of psilocybin
32 products to the client.

33 2. The department may adopt rules pursuant to chapter
34 17A to require a licensee to submit packaging intended for a
35 psilocybin product for preapproval by the department before

1 the licensee may sell or transfer a psilocybin product in the
2 packaging. As necessary to protect the public health, safety,
3 and welfare, the rules shall also establish standards for the
4 packaging of psilocybin products that ensure that psilocybin
5 products are not marketed in a manner that is untruthful or
6 misleading or otherwise creates a significant risk of harm
7 to the public health, safety, and welfare. In adopting the
8 packaging standards, the department:

9 *a.* May establish different packaging standards for different
10 varieties and types of psilocybin products.

11 *b.* May consider the effect on the environment of requiring
12 certain packaging of psilocybin products.

13 *c.* Shall consider the cost of a potential requirement
14 and how that cost will affect the overall cost of psilocybin
15 products to the client.

16 *d.* Shall not adopt rules that are more restrictive than are
17 reasonably necessary to protect the public health, safety, and
18 welfare.

19 3. A licensee shall not use or allow the use of a mark
20 or label on the package of a psilocybin product that is held
21 for sale if the mark or label does not precisely and clearly
22 indicate the nature of the package's contents or if the mark
23 or label in any way might deceive a person about the nature,
24 composition, quantity, age, or quality of the package's
25 contents.

26 4. The department may prohibit a licensee from selling
27 a psilocybin product that in the department's judgment is
28 deceptively labeled or contains injurious or adulterated
29 ingredients.

30 5. The department shall adopt rules pursuant to chapter 17A
31 establishing the maximum concentration of psilocybin that is
32 allowed in a single dose of a psilocybin product and the number
33 of doses that are allowed in a psilocybin product package.
34 The department shall require all psilocybin products sold or
35 transferred by a psilocybin product manufacturing facility or

1 psilocybin service center to meet the concentration, packaging,
2 and labeling standards adopted by the department.

3 Sec. 18. NEW SECTION. 124F.15 **Operating a psilocybin**
4 **testing laboratory.**

5 1. The department shall adopt rules pursuant to chapter 17A
6 for psilocybin testing laboratories that include all of the
7 following:

- 8 *a.* Security standards.
- 9 *b.* Minimum standards for licensee representatives.
- 10 *c.* Sample collection method and process standards.
- 11 *d.* Proficiency testing for psilocybin products for potency
12 and contaminants unsafe for human consumption, as determined by
13 rule of the department.
- 14 *e.* Reporting content, format, and frequency.
- 15 *f.* Audits and onsite inspections.
- 16 *g.* Quality assurance.
- 17 *h.* Equipment and methodology.
- 18 *i.* Chain of custody.
- 19 *j.* Any other standard the department deems necessary to
20 protect the public health, safety, and welfare.

21 2. The department shall establish standards for testing
22 psilocybin products and identify appropriate tests for
23 psilocybin products, depending on the type of psilocybin
24 product and the manner in which the psilocybin product was
25 manufactured, that are necessary to protect the public health,
26 safety, and welfare. The standards may include testing for all
27 of the following:

- 28 *a.* Microbiological contaminants.
- 29 *b.* Pesticides.
- 30 *c.* Other contaminants.
- 31 *d.* Solvents or residual solvents.
- 32 *e.* Psilocybin concentration.

33 3. The department shall also establish procedures for
34 determining batch sizes and for sampling psilocybin products,
35 including different minimum procedures and standards for

1 different varieties of psilocybin products.

2 4. In addition to the testing standards, the department may
3 require psilocybin products to be tested in accordance with any
4 applicable law or department rule related to the production and
5 processing of food products, potable liquids, or commodities.

6 5. A psilocybin testing laboratory may acquire psilocybin
7 products only from a psilocybin product manufacturing
8 facility or a psilocybin service center. A psilocybin testing
9 laboratory shall not sell, distribute, or transfer psilocybin
10 products received from a psilocybin product manufacturing
11 facility or psilocybin service center, except that a psilocybin
12 testing laboratory may transfer a sample of a psilocybin
13 product to another psilocybin testing laboratory in this state.

14 6. A psilocybin testing laboratory shall properly dispose
15 of all samples it receives, unless transferred to another
16 psilocybin testing laboratory in this state, after all
17 necessary tests have been conducted and any required storage
18 period has elapsed, as established by department rule.

19 7. A psilocybin testing laboratory shall use the computer
20 software tracking system designated by the department under
21 this chapter.

22 Sec. 19. NEW SECTION. 124F.16 **Operating a psilocybin**
23 **service center.**

24 1. The department shall adopt rules pursuant to chapter 17A
25 establishing the requirements, specifications, and guidelines
26 for the operation of a psilocybin service center including all
27 of the following:

28 a. Having a client complete, sign, and deliver a client
29 information form to a psilocybin service center and a
30 psilocybin service facilitator.

31 b. Providing preparation sessions to a client.

32 c. Holding and verifying the completion of a preparation
33 session.

34 d. Providing administration sessions to a client.

35 e. Holding and verifying the completion of an administration

1 session.

2 *f.* Providing integration sessions to a client.

3 *g.* Holding and verifying the completion of an integration
4 session.

5 2. *a.* Before a client participates in a preparation
6 session, the client shall complete and sign a client
7 information form, in a form and manner prescribed by the
8 department by rule.

9 *b.* A copy of the completed and signed client information
10 form shall be delivered to both the psilocybin service
11 center at which the preparation session will be held and the
12 psilocybin service facilitator who will conduct the preparation
13 session.

14 *c.* The client information form shall provide for all of the
15 following:

16 (1) Solicit from the client such information as may
17 be necessary to enable a psilocybin service center and a
18 psilocybin service facilitator to determine whether the
19 client should participate in an administration session,
20 including information that may identify risk factors and
21 contraindications, and if applicable, assist the psilocybin
22 service center and the psilocybin service facilitator in
23 meeting any public health and safety standards and industry
24 best practices during the administration session.

25 (2) Health and safety warnings and other disclosures as
26 prescribed by the department by rule.

27 *d.* (1) If a client information form is offered as evidence
28 in any administrative or criminal proceeding involving a
29 licensee or licensee representative for the sale or service
30 of a psilocybin product to a client, the licensee or licensee
31 representative shall not be guilty of any offense prohibiting a
32 person from selling or serving a psilocybin product to a client
33 unless it is demonstrated that a reasonable person would have
34 determined that the responses provided by the client on the
35 client information form were incorrect or altered.

1 (2) A licensee or licensee representative shall be
2 entitled to rely upon all statements, declarations, and
3 representations made by a client in a client information form
4 unless it is demonstrated that a reasonable person would have
5 determined that one or more of the statements, declarations, or
6 representations made by the client in the client information
7 form were incorrect or altered, or unless the licensee or
8 licensee representative violated any provision relating to the
9 client information form.

10 3. Except as otherwise provided by law, a licensee or
11 licensee representative is not liable by virtue of any untrue
12 statements, declarations, or representations relied upon in
13 good faith by the licensee or licensee representative.

14 4. *a.* Before a client participates in an administration
15 session, the client shall attend a preparation session with a
16 psilocybin service facilitator.

17 *b.* A preparation session shall be held at a psilocybin
18 service center. However, the department may adopt rules to
19 allow preparation sessions to be conducted using telehealth.

20 *c.* If a preparation session is completed in accordance with
21 all applicable requirements, specifications, and guidelines,
22 as determined by the department, the psilocybin service
23 facilitator shall certify, in a form and manner prescribed
24 by the department, that the client completed the preparation
25 session.

26 5. *a.* After a client completes and signs a client
27 information form and completes a preparation session, the
28 client may participate in an administration session, which
29 shall be held at a psilocybin service center. However, the
30 department may adopt rules to allow administration sessions to
31 be conducted using telehealth.

32 *b.* If an administration session is completed in accordance
33 with all applicable requirements, specifications, and
34 guidelines, as determined by the department, the psilocybin
35 service facilitator shall certify, in a form and manner

1 prescribed by the department, that the client completed the
2 administration session.

3 6. A psilocybin service facilitator shall not consume a
4 psilocybin product during an administration session that the
5 psilocybin service facilitator is supervising.

6 7. *a.* After a client completes an administration session,
7 the psilocybin service facilitator who supervised the
8 administration session shall offer the client an opportunity
9 to participate in an integration session. The client is not
10 obligated to participate in an integration session.

11 *b.* An integration session shall be held at a psilocybin
12 service center. However, the department may adopt rules to
13 allow integration sessions to be conducted using telehealth.

14 *c.* If an integration session is completed in accordance with
15 all applicable requirements, specifications, and guidelines,
16 as determined by the department, the psilocybin service
17 facilitator shall certify, in a form and manner prescribed
18 by the department, that the client completed the integration
19 session.

20 8. A licensee or licensee representative may refuse to
21 provide psilocybin services or cease providing psilocybin
22 services to a client at the licensee's or licensee
23 representative's discretion. However, a psilocybin service
24 center or a psilocybin service facilitator shall not
25 cease providing psilocybin services to a client during
26 an administration session after the client has consumed a
27 psilocybin product, except in the case of an emergency or as
28 provided for by the department by rule.

29 9. A licensee representative or a psilocybin service
30 facilitator shall not disclose any information that may be used
31 to identify a client or any communication made by a client
32 during the course of providing psilocybin services or selling
33 psilocybin products to the client, unless any of the following
34 applies:

35 *a.* The client, or the client's legal guardian or

1 representative, provides consent to the disclosure.

2 *b.* The client initiates legal action or makes a complaint
3 against the psilocybin service center, the psilocybin service
4 facilitator, or a licensee representative.

5 *c.* The communication reveals the intent to commit a crime
6 resulting in harm to the client or others.

7 *d.* The communication reveals that a minor may have been a
8 victim of a crime or physical, sexual, or emotional abuse or
9 neglect.

10 *e.* In response to an inquiry by the department made during
11 the course of an investigation into the conduct of a psilocybin
12 service center, a psilocybin service facilitator, or a licensee
13 representative.

14 Sec. 20. NEW SECTION. 124F.17 **Inspection of records and**
15 **premises — notice.**

16 1. The department may request a review of the records of a
17 licensee for the purpose of determining compliance with this
18 chapter. The department shall provide a licensee with notice
19 forty-eight hours prior to inspecting the licensee's records.
20 The department shall not require the records of a licensee to
21 be maintained on the licensee's premises.

22 2. The department may at any time inspect the premises of a
23 licensee for compliance with this chapter.

24 Sec. 21. NEW SECTION. 124F.18 **Prohibitions.**

25 1. A person shall not make false representations or
26 statements to the department in order to induce or prevent
27 action by the department.

28 2. A licensee shall not maintain a noisy, lewd, disorderly,
29 or unsanitary premises or supply adulterated or otherwise
30 harmful psilocybin products.

31 3. A licensee shall not misrepresent to a person or to the
32 public any psilocybin products.

33 Sec. 22. NEW SECTION. 124F.19 **General liability insurance.**

34 As necessary to protect the public health, safety, and
35 welfare, the department may require a licensee to maintain

1 general liability insurance coverage in an amount that the
2 department determines is reasonably affordable and available
3 for the purpose of protecting the licensee against damages
4 resulting from a cause of action related to activities carried
5 out in accordance with the particular license held by the
6 licensee.

7 Sec. 23. NEW SECTION. 124F.20 Investigation and enforcement
8 — disciplinary action.

9 1. The department may proceed with any investigation of,
10 or any action or disciplinary proceeding against, a licensee
11 or licensee representative or revise or render void an order
12 suspending or revoking a license or permit. In cases involving
13 the proposed denial of a license or permit, the applicant for
14 licensure or permitting shall not withdraw the application.

15 2. In addition to any other disciplinary action that may be
16 available to the department, the department shall immediately
17 restrict, suspend, or refuse to renew a license or permit
18 issued under this chapter if circumstances create probable
19 cause for the department to determine that a licensee or
20 licensee representative has purchased or received a psilocybin
21 product from an unlicensed source or that a licensee or
22 licensee representative has stored, manufactured, transported,
23 delivered, sold, or transferred a psilocybin product in a
24 manner that is prohibited by the license or permit.

25 Sec. 24. NEW SECTION. 124F.21 Enforceability of contracts.

26 A contract is not unenforceable on the basis that
27 possessing, manufacturing, transporting, delivering,
28 distributing, dispensing, selling, or using psilocybin products
29 is prohibited by federal law.

30 Sec. 25. NEW SECTION. 124F.22 Protections for licensee
31 representatives.

32 It is an unlawful employment practice for a licensee to
33 discharge, demote, suspend, or in any manner discriminate
34 or retaliate against a licensee representative with regard
35 to promotion, compensation, or other terms, conditions,

1 or privileges of employment on the basis that the licensee
2 representative has in good faith reported information to
3 the department that the licensee representative believes is
4 evidence of a violation of this chapter.

5 Sec. 26. NEW SECTION. **124F.23 Rights of deceased,**
6 **insolvent, or bankrupt persons or licensees.**

7 The department may, by rule or order, provide for the
8 manner and conditions under which psilocybin products left
9 by a deceased, insolvent, or bankrupt person or licensee
10 are subject to a security interest, may be foreclosed, sold
11 under execution, or otherwise disposed of. The business
12 of a deceased, insolvent, or bankrupt person or licensee
13 may be operated for a reasonable period after the death,
14 insolvency, or bankruptcy. An obligor may continue to operate
15 at a premises for a reasonable period after default on the
16 indebtedness by the debtor.

17 Sec. 27. NEW SECTION. **124F.24 Tracking system for**
18 **psilocybin products.**

19 1. The department shall develop and maintain a computer
20 software tracking system to track the transfer of psilocybin
21 products between premises.

22 2. The purposes of the computer software tracking system
23 include all of the following:

24 a. Preventing the diversion of psilocybin products to other
25 states.

26 b. Preventing persons from substituting or tampering with
27 psilocybin products.

28 c. Ensuring an accurate accounting of the production,
29 processing, and sale of psilocybin products.

30 d. Ensuring that test results from a psilocybin testing
31 laboratory are accurately reported.

32 e. Ensuring compliance with this chapter and any other
33 law of this state that authorizes the department to regulate
34 psilocybin.

35 3. At a minimum, the tracking system shall be capable of

1 tracking all of the following:

2 *a.* The manufacturing of psilocybin products.

3 *b.* The sale of psilocybin products by a psilocybin service
4 center to a client.

5 *c.* The sale and purchase of psilocybin products between
6 licensees.

7 *d.* The transfer of psilocybin products between premises.

8 *e.* Any other information that the department determines
9 is reasonably necessary to accomplish the department's duties
10 under this chapter.

11 Sec. 28. NEW SECTION. 124F.25 Sale or delivery of
12 psilocybin products — penalties.

13 1. A licensee or licensee representative shall not sell
14 or deliver a psilocybin product to a person younger than
15 twenty-one years of age in this state.

16 2. Prior to selling or delivering a psilocybin product to
17 a person in this state, a licensee or licensee representative
18 shall require the person to produce one of the following forms
19 of identification:

20 *a.* A valid driver's license issued by this state or another
21 state.

22 *b.* A valid United States passport.

23 *c.* A valid military identification card.

24 *d.* A valid identification card issued by a federally
25 recognized Indian tribe.

26 *e.* Any other valid identification card issued by a state or
27 territory of the United States that bears a picture, name, date
28 of birth, and physical description of the person.

29 3. A person shall not produce a form of identification that
30 misrepresents the person or the person's age.

31 4. A person who violates this section commits a simple
32 misdemeanor.

33 5. If a form of identification is offered as evidence in
34 any administrative or criminal proceeding involving a licensee
35 or licensee representative for the sale or delivery of a

1 psilocybin product to a person younger than twenty-one years
 2 of age, the licensee or licensee representative shall not be
 3 guilty of any offense prohibiting the sale or delivery of a
 4 psilocybin product to a person younger than twenty-one years of
 5 age unless it is demonstrated that a reasonable person would
 6 have determined that the form of identification exhibited by
 7 the person younger than twenty-one years of age was altered or
 8 that the form of identification exhibited by the person younger
 9 than twenty-one years of age did not accurately describe the
 10 person to whom the psilocybin product was sold or delivered.

11 Sec. 29. NEW SECTION. 124F.26 Tax on the sale of psilocybin
 12 products.

13 1. An additional tax shall not be imposed upon the sale
 14 of psilocybin products which exceeds the sales tax rate.
 15 The sales tax shall be collected by a psilocybin product
 16 manufacturing facility at the point of sale of a psilocybin
 17 product or by a psilocybin service center when a psilocybin
 18 product is sold.

19 2. A psilocybin service center shall not discount a
 20 psilocybin product or offer a psilocybin product at no cost if
 21 the sale of the psilocybin product is made in conjunction with
 22 the sale of any other item or service.

23 Sec. 30. NEW SECTION. 124F.27 Delivery of psilocybin
 24 products.

25 1. A psilocybin product manufacturing facility that is
 26 licensed under this chapter may deliver psilocybin products
 27 only to or on a premises.

28 2. A psilocybin service center and a psilocybin service
 29 facilitator that is licensed under this chapter may do any of
 30 the following:

31 a. Deliver psilocybin products only to or on a premises.

32 b. Receive psilocybin products only from a psilocybin
 33 product manufacturing facility or a psilocybin service center.

34 3. The sale of psilocybin products to a client by a
 35 psilocybin service center or a psilocybin service facilitator

1 shall be restricted to the premises.

2 4. Notwithstanding subsection 2, the department may
3 adopt rules to allow for delivery of psilocybin products to a
4 client's residence.

5 Sec. 31. NEW SECTION. 124F.28 **Persons younger than**
6 **twenty-one years of age on premises.**

7 1. Except as authorized by the department by rule, or as
8 necessary in the case of an emergency, a person younger than
9 twenty-one years of age shall not enter or attempt to enter any
10 portion of the premises of a psilocybin product manufacturing
11 facility or psilocybin service center. A person who violates
12 this section commits an aggravated misdemeanor.

13 2. Subsection 1 does not apply to a person younger than
14 twenty-one years of age who is any of the following:

15 a. Temporarily at the premises to make a service,
16 maintenance, or repair call or for other purposes independent
17 of the operations of the premises.

18 b. Acting under the direction of the department or state or
19 local law enforcement agencies for the purpose of investigating
20 possible violations of laws prohibiting sales of psilocybin
21 products to persons younger than twenty-one years of age.

22 c. Acting under the direction of a licensee for the purpose
23 of investigating possible violations of laws prohibiting sales
24 of psilocybin products to persons younger than twenty-one years
25 of age by licensee representatives.

26 3. a. A person younger than twenty-one years of age is not
27 in violation of, and is immune from prosecution under, this
28 section if the person meets any of the following criteria:

29 (1) The person contacted emergency medical services or a law
30 enforcement agency in order to obtain medical assistance for
31 another person who was in need of medical assistance because
32 that person consumed a psilocybin product.

33 (2) The person was in need of medical assistance because
34 the person consumed a psilocybin product and the evidence of
35 the violation was obtained as a result of the person seeking or

1 obtaining such medical assistance.

2 **b.** Paragraph "a" shall not exclude the use of evidence
3 obtained as a result of a person seeking or obtaining medical
4 assistance in proceedings for crimes or offenses other than a
5 violation of this section.

6 Sec. 32. NEW SECTION. 124F.29 Investigations, arrests,
7 prosecutions, and convictions for offenses involving psilocybin
8 — duty to notify.

9 1. The department of public safety shall make the
10 investigation and arrest of persons eighteen years of age
11 or older engaged in noncommercial planting, cultivating,
12 purchasing, transporting, distributing, engaging in practices
13 with, or possessing entheogenic plants and fungi one of its
14 lowest enforcement priorities.

15 2. The attorney general shall cease prosecution of
16 residents of the state for noncommercial planting, cultivating,
17 purchasing, transporting, distributing, engaging in practices
18 with, or possessing entheogenic plants and fungi.

19 3. A law enforcement officer may enforce this section and
20 assist the department in detecting violations of this section
21 and apprehending offenders. A law enforcement officer who has
22 notice, knowledge, or reasonable suspicion of a violation of
23 this section shall immediately notify the department.

24 4. The district courts, district attorneys, and municipal
25 authorities shall, immediately upon the conviction of a
26 licensee or licensee representative for a violation of this
27 section or any other law, notify the department of such
28 conviction.

29 Sec. 33. NEW SECTION. 124F.30 Immunity.

30 An agent or employee of the department shall not incur civil
31 liability and is considered an employee of the state for the
32 purposes of chapter 669 in performing any duty in accordance
33 with this chapter or any other law requiring the department to
34 perform any duty related to psilocybin products.

35 Sec. 34. NEW SECTION. 124F.31 Preemption.

1 The provisions of this chapter are intended to operate
2 uniformly throughout the state and shall expressly preempt the
3 regulation of psilocybin products and services in the state and
4 supersede any municipal or county ordinance on the subject.

5 Sec. 35. NEW SECTION. 124F.32 Application of chapter —
6 severability.

7 1. This chapter shall not be construed to do any of the
8 following:

9 a. Require a federal or state government medical assistance
10 program or private health insurer to reimburse a person for
11 costs associated with the use of psilocybin products.

12 b. Amend or affect state or federal law pertaining to
13 employment matters.

14 c. Amend or affect state or federal law pertaining to
15 landlord-tenant matters.

16 d. Prohibit a recipient of a federal grant or an applicant
17 for a federal grant from prohibiting the possession,
18 manufacturing, transportation, delivery, sale, or use of
19 psilocybin products to the extent necessary to satisfy federal
20 requirements for the grant.

21 e. Prohibit a party to a federal contract or a person
22 applying to be a party to a federal contract from prohibiting
23 the possession, manufacturing, transportation, delivery, sale,
24 or use of psilocybin products to the extent necessary to comply
25 with the terms and conditions of the contract or to satisfy
26 federal requirements for the contract.

27 f. Require a person to violate a federal law.

28 2. If any provision of this chapter or its application to
29 any person or circumstance is held invalid, the invalidity does
30 not affect other provisions or applications of the chapter
31 which can be given effect without the invalid provision or
32 application, and to this end the provisions of this chapter are
33 severable.

34 EXPLANATION

35 The inclusion of this explanation does not constitute agreement with

1 the explanation's substance by the members of the general assembly.

2 This bill relates to psilocybin, including the creation
3 of the psilocybin services Act, to, in part, provide for
4 administration of psilocybin products to individuals 21 years
5 of age and older in the state. Psilocybin is defined as a
6 hallucinogenic compound obtained from *P. cubensis* mushrooms.
7 The bill provides definitions used in the bill and the
8 purposes of the bill. The bill provides for a one-year program
9 development period beginning January 1, 2022, and ending not
10 later than December 31, 2022; requires the department of public
11 health (DPH) to prescribe forms and adopt rules necessary for
12 the administration of the Code chapter no later than January
13 1, 2023; and requires DPH to begin receiving applications for
14 licensure of the various entities involved under the bill by
15 February 1, 2023.

16 The bill establishes the duties of DPH including licensing
17 the entities required to be licensed to perform the various
18 activities under the Code chapter; determination of the
19 qualifications, education, training, and examination
20 requirements of these entities; labeling and packaging
21 requirements for psilocybin products; penalties; and
22 enforcement. The bill also creates a psilocybin advisory board
23 tasked with making recommendations to DPH and providing general
24 oversight of the provisions of the bill.

25 The bill includes application and licensing provisions for
26 psilocybin product manufacturing facilities, psilocybin service
27 centers, psilocybin service facilitators, and psilocybin
28 testing laboratories; provisions for the permitting of licensee
29 representatives; and provisions relating to the operation of
30 the various entities. A licensee or licensee representative
31 who sells or delivers a psilocybin product to a person under
32 21 years of age is guilty of a simple misdemeanor. A simple
33 misdemeanor is punishable by confinement for no more than 30
34 days and a fine of at least \$105 but not more than \$855.

35 The bill also provides for application of the Code chapter

1 and a severability provision.

2 The bill also exempts psilocybin from the application of
3 Code chapter 124 (controlled substances) when manufactured,
4 planted, cultivated, grown, harvested, produced, prepared,
5 propagated, compounded, converted, processed, handled,
6 transported, delivered, marketed, distributed, possessed,
7 administered, consumed, tested, or otherwise used in accordance
8 and compliance with the bill.